

Amendment No. 1 to SB1104

Gardenhire
Signature of Sponsor

AMEND Senate Bill No. 1104*

House Bill No. 1441

by adding the language "intrastate" immediately after the language "exercise of these rights" in Section 3.

AND FURTHER AMEND by deleting the following language in Section 4:

(4) "Commission" means the medical cannabis commission created in part 1 of this chapter;

and substituting instead the following:

(4) "Commission" means the Tennessee medical cannabis program commission created in Section 9;

AND FURTHER AMEND by deleting Sections 25 through 32, adding the following as a new Section 9 and 10, and renumbering the existing and remaining sections accordingly:

SECTION 9.

(a) In order to carry out this chapter and establish functional processes, there is created and established the Tennessee medical cannabis program commission, to consist of twelve (12) members. By no later than August 30, 2023, the governor, speaker of the senate, and speaker of the house of representatives shall make initial appointments to the commission. The members comprising the commission must be at least thirty (30) years of age, United States citizens, and residents of this state for at least three (3) continuous years immediately preceding their appointment. In order for commission members to be qualified individuals with experience in complex agriculture, health, science, business, and government systems:

(1) The governor shall appoint:

(A) One (1) person with professional experience in industrial or agricultural systems management, including commodities, manufacturing, or distribution in a regulated industry;

(B) One (1) person with professional experience in legal or social justice issues related to a regulated industry;

(C) One (1) person with professional experience in public health, mental health, substance use, toxicology, biochemistry, or medical research; and

(D) One (1) person with professional experience in the field of law enforcement and peace officer standards and training (POST) certification;

(2) The speaker on the senate shall appoint:

(A) One (1) person with experience in multiple crop development and agricultural practices;

(B) One (1) person with experience in complex agriculture, health, science, business, or government systems;

(C) One (1) person who is a licensed pharmacist; and

(D) One (1) person with professional experience in the field of law enforcement and peace officer standards and training (POST) certification; and

(3) The speaker of the house of representatives shall appoint:

(A) One (1) person with experience in public or rural land use management;

(B) One (1) person who is a physician licensed to practice in this state;

(C) One (1) person who is licensed to practice law in this state; and

(D) One (1) person with professional experience in agricultural lending or banking or with state-chartered banks or credit unions.

(b) If a person who is registered as a lobbyist pursuant to the registration requirements of title 3, chapter 6, is subsequently appointed or otherwise named as a member of the commission, then the person must terminate all employment and business association as a lobbyist. A person who is a member of the commission shall not be registered as a lobbyist.

(c)

(1) Persons appointed in accordance with subdivision (a)(1) shall serve an initial term of two (2) years and may be reappointed to serve a full term of four (4) years.

(2) Persons appointed in accordance with subdivision (a)(2) shall serve an initial term of three (3) years and may be reappointed to serve a full term of four (4) years.

(3) Persons appointed in accordance with subdivision (a)(3) shall serve a full term of four (4) years.

(4) The full term for a commissioner is four (4) years, and a commissioner may be reappointed for one (1) additional full term at the pleasure of the appointing authority. A commissioner shall not serve more than two (2) consecutive four-year terms. In the event a vacancy occurs, the appointing authority shall appoint a person to fill the vacancy for the unexpired term.

(d) Commissioners may be removed for cause by the governor. Commissioners shall not miss more than three (3) meetings in one (1) calendar year.

(e) Each member of the commission will receive seven hundred dollars (\$700) for each meeting of the commission that the member attends. Each member of the commission shall also be reimbursed for their actual and necessary expenses incurred in connection with their official duties. All reimbursement for travel expenses must be in

accordance with the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

(f)

(1) The commission shall elect one (1) of its own members as chair, and the commission shall meet at least one (1) time each month and hold such other meetings for any period of time as may be necessary for the commission to transact and perform its official duties and functions. A majority of members of the commission constitute a quorum for the transaction of any business, or for the performance of any duty, power, or function of the commission, and the concurrence of a majority of those present and voting in any matter within its duties is required for a determination of matters within its jurisdiction. The commission may hold a special meeting at any time it deems necessary and advisable to perform its official duties. A special meeting may be called by the chair, or upon the written request of two (2) or more members. All members shall be duly notified by the commission secretary of the time and place of any regular or special meeting at least five (5) days in advance of any meeting. The chair is responsible for setting and keeping a meeting schedule that ensures the commission meets this chapter's intent, purposes, and deadlines.

(2) Notwithstanding subdivision (f)(1):

(A) The commission shall hold a minimum of two (2) regularly scheduled meetings each month during its first twelve (12) months, to commence no later than October 15, 2023. The purpose of this meeting schedule is to:

(i) Expeditiously create and publish an application form for medical cannabis cards;

(ii) Establish a website for public access and information;

(iii) Review, approve, or deny phase 1 license applications; and

(iv) Promulgate rules and emergency rules in accordance with this chapter and the Uniform Administrative Procedures Act, compiled in title 4, chapter 5; and

(B) After promulgating initial rules, processing phase 1 licenses, and publishing patient medical cannabis card application forms and procedures, the commission may reduce meetings to one (1) meeting per month or vote on a schedule appropriate for meeting all obligations under this chapter regarding patient medical cannabis cards.

(g) The commission is authorized to appoint an executive director to serve at the pleasure of the commission. The executive director's salary must be fixed by the commission. The office of the executive director is to be in Nashville.

(h) The executive director must be at least thirty (30) years of age and have been a citizen and resident of this state for at least three (3) years prior to appointment. The executive director must be licensed to practice law in this state. The executive director is to be designated as executive director, Tennessee medical cannabis program commission.

(i) The executive director is the chief administrative officer of the commission and all personnel employed by the commission are to be under the executive director's direct supervision. The executive director is solely responsible to the commission for the administration and enforcement of this chapter and is responsible for the performance of all duties and functions delegated by the commission.

(j) The executive director shall keep and be responsible for all records of the commission and also serve as secretary of the commission. The executive director shall prepare and keep the minutes of all meetings held by the commission, including a record of all business transacted and decisions rendered by the commission. A copy of the

record of the minutes and business transacted and decisions rendered must be kept on file at the department of agriculture and open to public inspection.

(k) The executive director shall act and serve as hearing officer when designated by the commission, and shall perform such duties as the regular hearing officer.

(l) The commission is authorized to appoint an assistant director who shall perform such duties and functions that may be assigned by the director or the commission. The assistant director, if licensed to practice law in this state, may also be designated by the commission to sit, act, and serve as a hearing officer, and when designated as a hearing officer, the assistant director is authorized to perform the same duties and functions as the regular hearing officer.

(m) The executive director and assistant director must be reimbursed for travel expenses in accordance with the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

(n) In any action or suit brought against the members of the commission in their official capacity in a court of competent jurisdiction, or a suit to challenge any decision or order issued by the commission, service of process issued against the commission may in their absence be lawfully served or accepted by the executive director on behalf of the commission as though the members of the commission were personally served with process.

(o) The commission is directed to coordinate with the department of agriculture to appoint a chief inspection and enforcement officer who shall serve under the commissioner of agriculture. The chief inspection and enforcement officer must:

(1) Be under the immediate supervision of the executive director;

(2) Be at least thirty (30) years of age;

(3) Have been a citizen and resident of this state for at least three (3)

years prior to appointment;

(4) Have had experience and training in agricultural inspections and have qualifications identical to that required for members of the Tennessee bureau of investigation; and

(5) Be reimbursed for travel expenses in accordance with the comprehensive travel regulations as promulgated by the department of finance and administration and approved by the attorney general and reporter.

(p) The executive director, the chief inspection and enforcement officer, and all other inspection and enforcement personnel must be employed only on a full-time basis.

(q) In order to assist the commission and staff with establishing a functional program and achieving compliance with applicable laws, the commission shall retain legal counsel familiar with requirements of this chapter and medical cannabis licensing and best practices in other states.

SECTION 10.

(a) A person is not eligible to be appointed as a member of the commission, or employed in any capacity by the commission, if the person has any interest, financial or otherwise, either direct or indirect, in a medical cannabis cultivation operation, medical cannabis-infused products manufacturer, medical cannabis wellness dispensary, medical cannabis testing facility, or medical cannabis transporter. No family member, including a spouse, child or children, father or mother, niece or nephew by blood or marriage, son-in-law or daughter-in-law, may be employed by any medical cannabis cultivation operation, medical cannabis-infused products manufacturer, medical cannabis wellness dispensary, medical cannabis testing facility, or medical cannabis transporter, nor may any family member hold or have issued to them any medical cannabis license in this state. Such person shall not:

(1) Have interest of any kind in any building, fixtures, or in the premises occupied by a person licensed under this chapter; or

(2) Own any stock or have any interest of any kind, direct or indirect, pecuniary or otherwise, by a loan, mortgage, gift, seeking a loan, or guaranteeing the payment of any loan, in any medical cannabis cultivation operation, medical cannabis-infused products manufacturer, medical cannabis wellness dispensary, medical cannabis testing facility, or medical cannabis transporter.

(b) A member of the commission or a person employed by the commission shall not accept any gift, favor, merchandise, donation, contribution, or any article or thing of value, from a person licensed under this chapter.

(c) A person shall not conspire with another person to violate this section or attempt to violate this section.

(d) A person violating this section is to be dismissed and discharged from employment or position, and as a consequence the person shall forfeit any pay or compensation that might be due.

(e) A violation of this section is a Class C misdemeanor.

AND FURTHER AMEND by adding the following as a new section immediately preceding the penultimate section and renumbering the existing sections accordingly:

SECTION __. Tennessee Code Annotated, Section 4-29-246(a), is amended by adding the following as a new subdivision:

() Tennessee medical cannabis program commission, created by Section 9;